AN AASIS TRAINING GUIDE

FACC – PART 2

Introduction to Fund Accounting and Cost Centers

AASIS Support Center
August, 2004

BEST IF PRINTED IN SLIDE VIEW

TABLE OF CONTENTS

Title	Description	Page Number
Cost Center Organization	Cost centers and cost center groups	3-9
Cost Center Information in AASIS	Cost center-fund mapping, master data, group assignments	10-32
Cost Elements	Definitions and uses, displaying in AASIS	33-42
Cost Center Planning	Facts about the Cost Center Plans	43-45

Cost Center Accounting

How does AASIS know which fund or funds center to charge?

- Each document entered into AASIS must contain a cost center, which is linked to a fund and a funds center.
- When the cost center is entered on the document, AASIS can automatically check for funds or appropriation.

Cost Centers

- When AASIS was first set up, each agency submitted a list of cost centers to be entered into the system. Cost centers represent the agency's organizational structure.
- At least one cost center was submitted for each fund/funds center combination.

Cost Center Groups

- The cost centers were organized into groups, which represented the agency's hierarchy or organizational chart.
- In this way, managers can display reports for cost center groups which include the cost centers that they are responsible for. All of the groups taken together represent the hierarchy of the State of Arkansas.

View Standard hierarchy for cost centers from 04/10/2002

Start with ARK_HIER STATE OF ARKANSAS

Standard hierarchy for cost centers	Name	Person responsi...	Business area	Functional area
ARK_HIER	STATE OF ARKANSAS			
0002	HOUSE OF REPRESENTATIVES			
100001	Operations	House of Reps	0002	CNST
100011	Legislative Computerization	House of Reps	0002	CNST
100021	House Select Committee	House of Reps	0002	CNST
100031	Off of Constituency Service	House of Reps	0002	CNST
100041	Supplemental Staffing	House of Reps	0002	CNST
100051	Interim Expenses	House of Reps	0002	CNST
100061	Legislative Biennual Institute	House of Reps	0002	CNST
100081	81nd General Assembly Expense	House of Reps	0002	CNST
100091	83rd General Assembly Expense	House of Reps	0002	CNST
0002DEMO	Demo for CC Group Creation			
0002DEM2	demo #2			
0005	ARKANSAS SENATE			
102001	ARKANSAS SENATE	AR SENATE	0005	CNST
102020	RENOVATIONS AND IMPROVE...	AR SENATE	0005	CNST
102040	COMMITTEE STAFFING	AR SENATE	0005	CNST
102060	LEGISLATIVE COMPUTERIZATI...	AR SENATE	0005	CNST
103001	INTERIM EXPENSES	AR SENATE	0005	CNST
103020	BIENNIAL SENATE ORIENTATION	AR SENATE	0005	CNST
103060	83RD GENERAL ASSEMBLY	AR SENATE	0005	CNST
0009	LEGISLATIVE AUDIT			
0009ADMIN	LEG JOINT AUDITING COMMITT...			
104001	Central Administration	Legislative Audit	0009	CNST
104002	Secretarial Staff	Legislative Audit	0009	CNST

A few of the cost centers and cost center groups that make up the standard hierarchy of the State of Arkansas.

Alternate Cost Center Groups

- Agencies can also assign cost centers to alternate cost center groups.
- An agency might want to do this for reporting purposes. For example, all of the cost centers belonging to a fund/fund center combination could be combined in an alternate group.

Changing or Adding Cost Centers and Groups

- The Department of Finance and Administration is responsible for maintaining cost centers and groups.
- For any changes, an agency will need to fill out the appropriate form and forward it to DF&A.
- Forms for this purpose can be found in the forms section of the AASIS website.

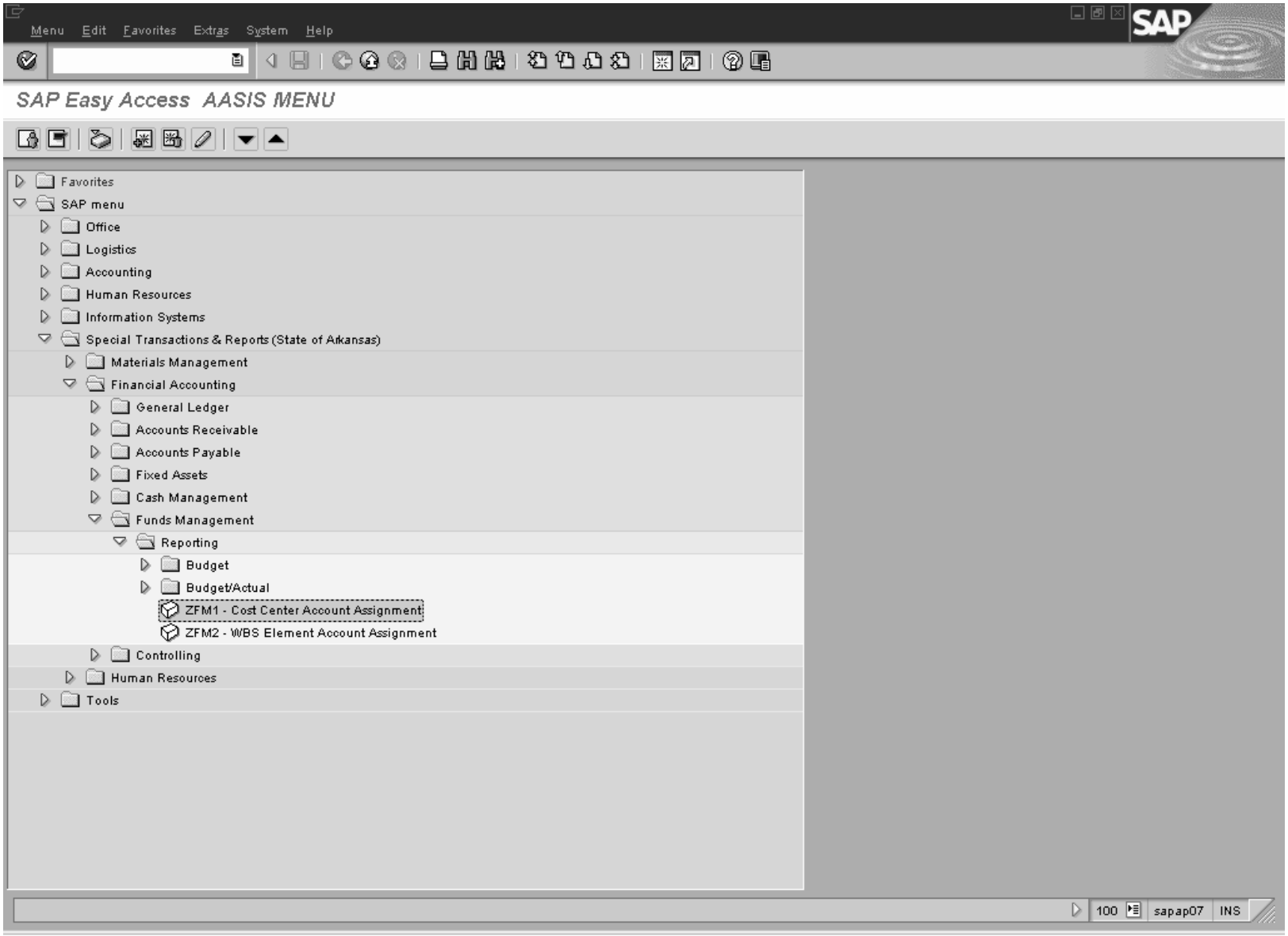
Checking Your Agency's Cost Centers

You can use transactions in AASIS

- To display the fund/funds center assignment of a cost center.
- To display the hierarchy of your agency's cost centers
- To display master data of the cost center

Checking the fund / funds center assignment of a cost center.

- Special Transactions and Reports (State of Arkansas)>Financial Accounting>Funds Management>Reporting>Cost Center Account Assignment
- ZFM1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Human Resources
Information Systems
Special Transactions & Reports (State of Arkansas)
Materials Management
Financial Accounting
General Ledger
Accounts Receivable
Accounts Payable
Fixed Assets
Cash Management
Funds Management
Reporting
Budget
Budget/Actual
ZFM1 - Cost Center Account Assignment
ZFM2 - WBS Element Account Assignment
Controlling
Human Resources
Tools
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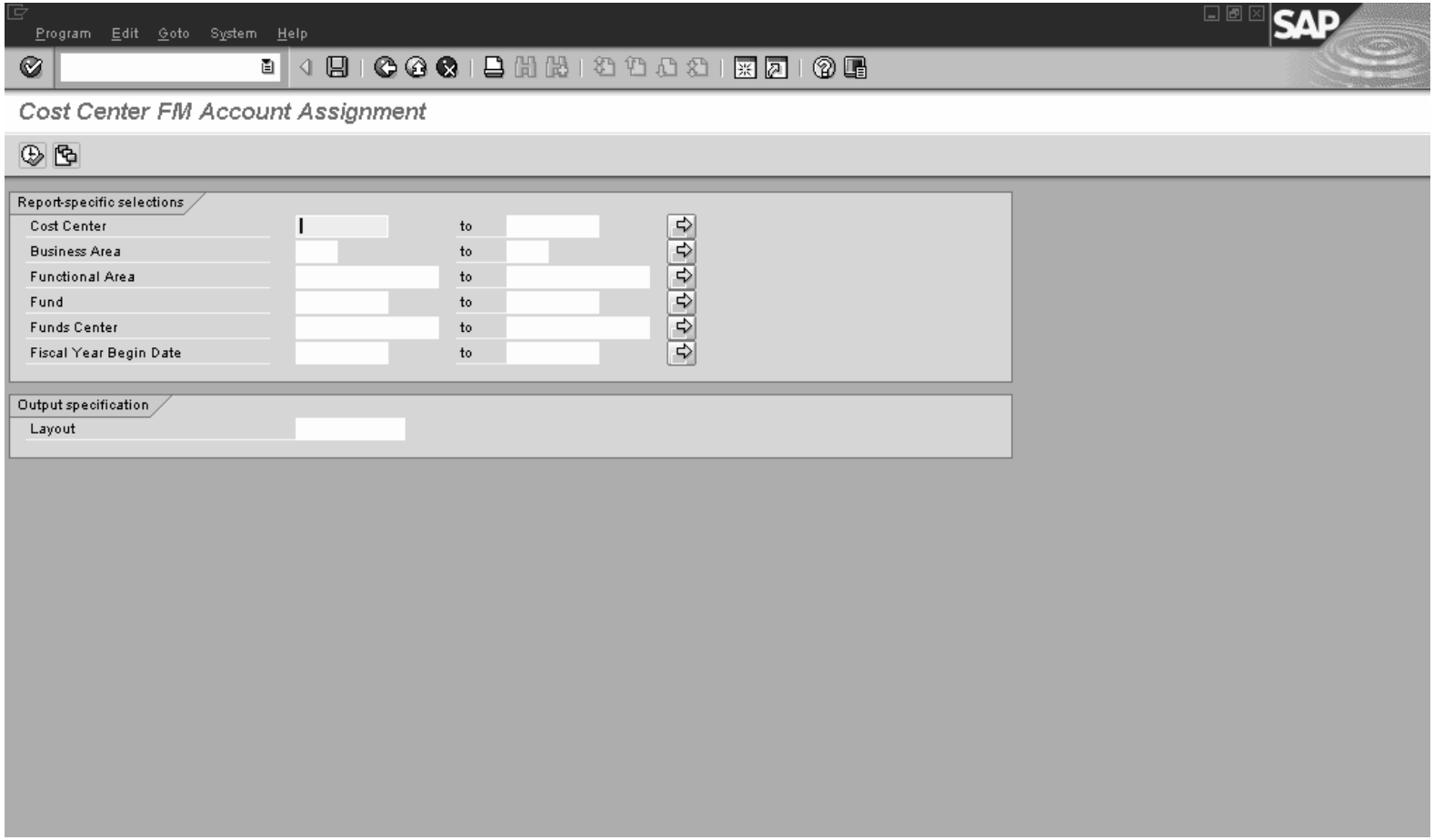
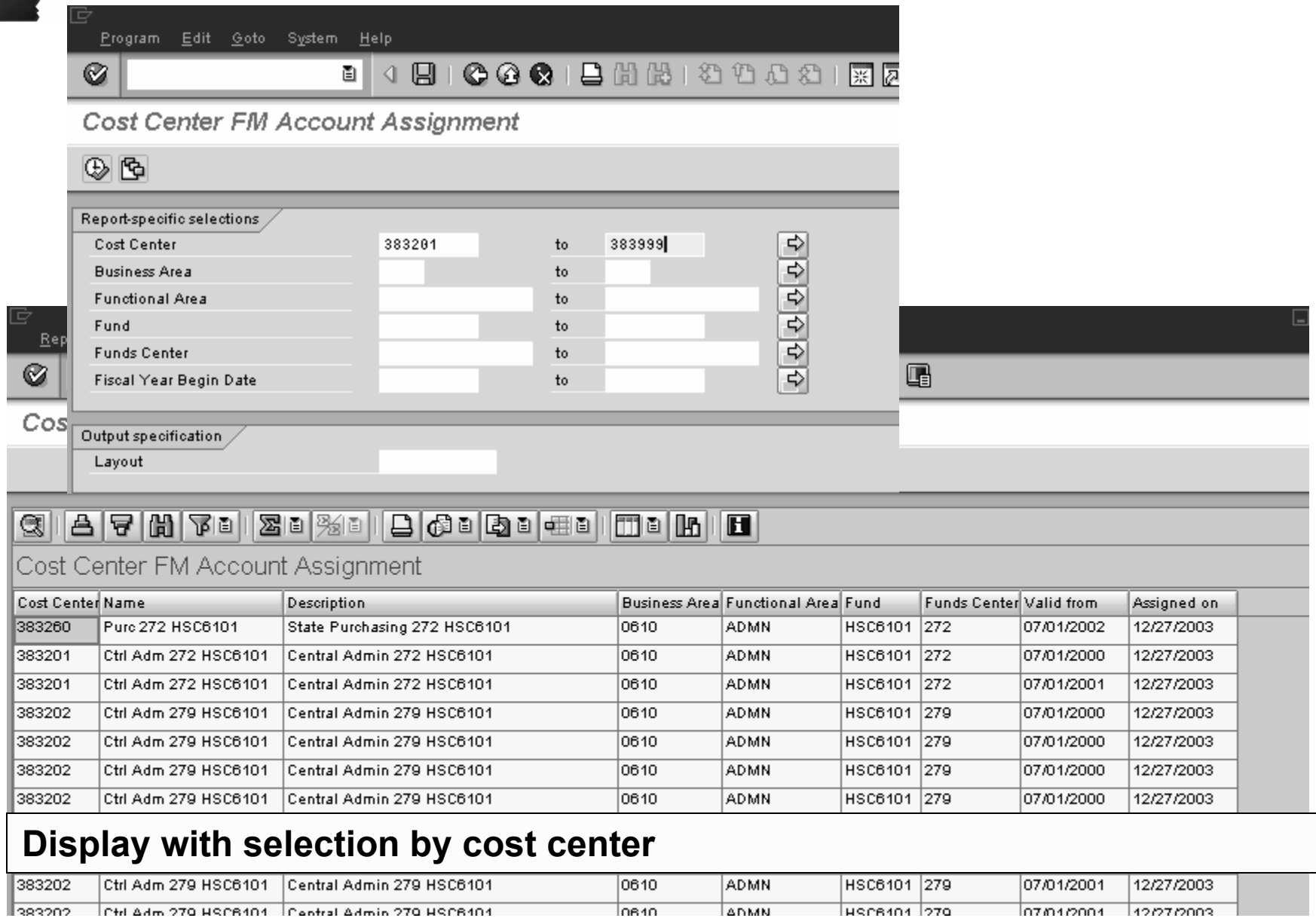
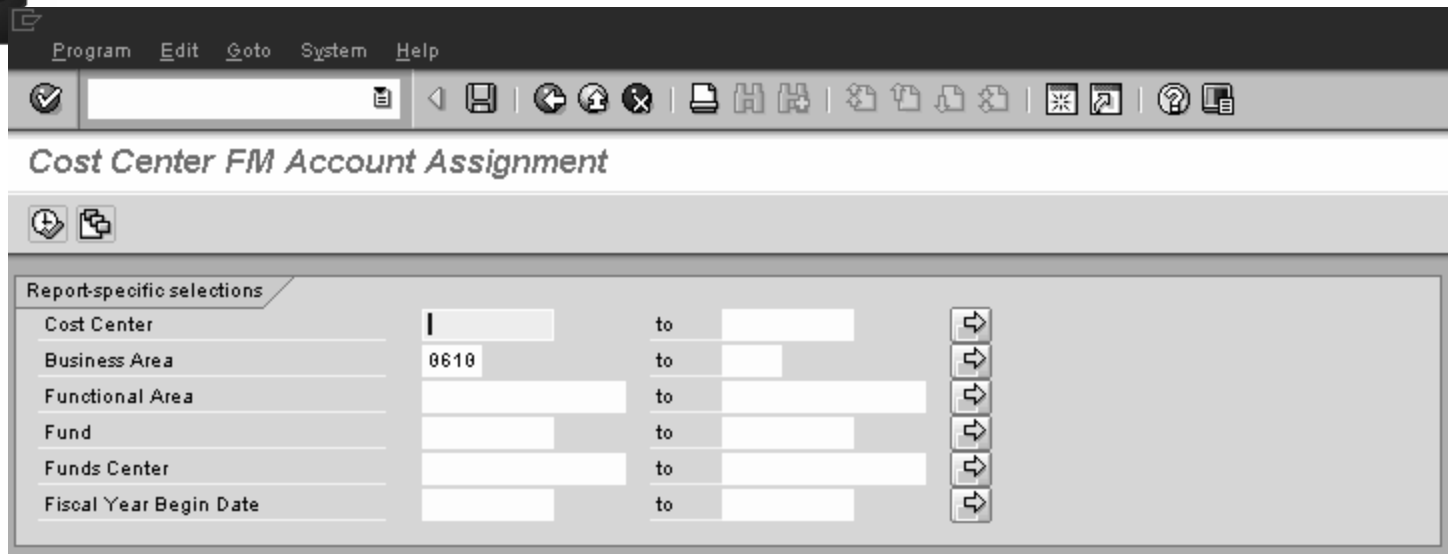


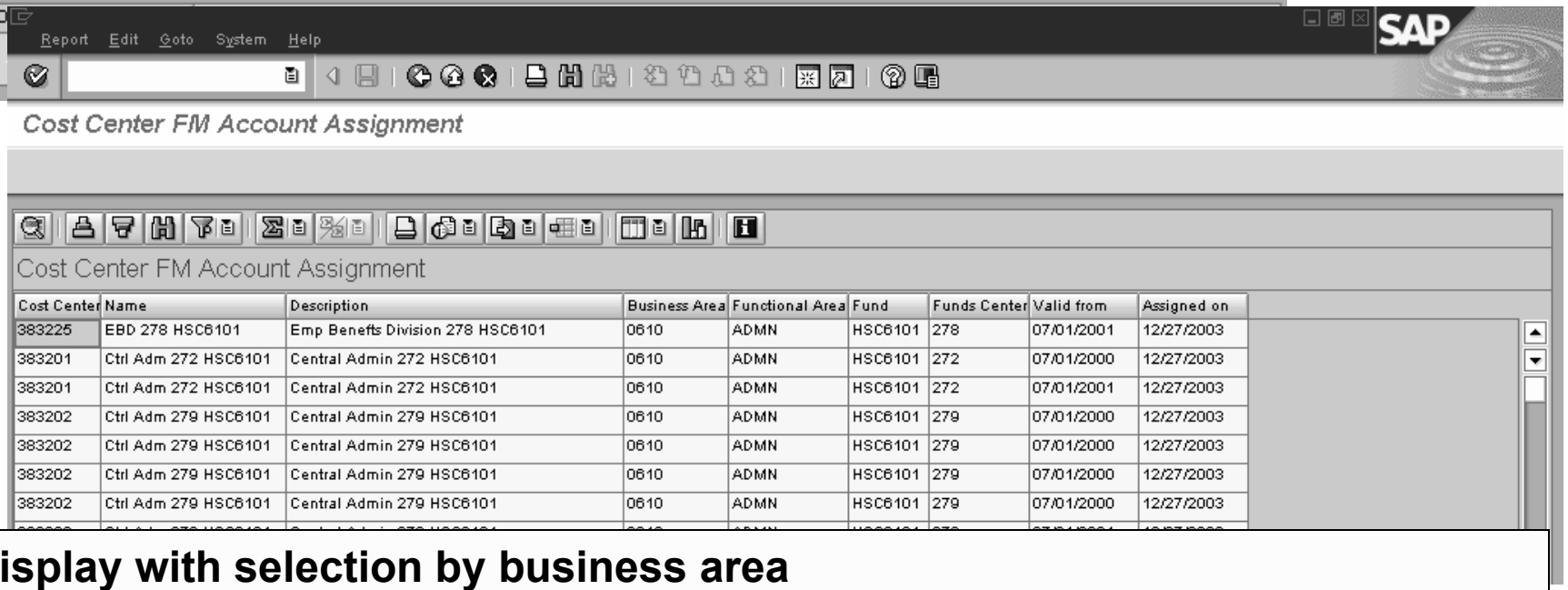
This report can be selected by Cost Center, Business Area, Functional Area, Fund, or Funds Center.



Cost Center	Name	Description	Business Area	Functional Area	Fund	Funds Center	Valid from	Assigned on
383260	Purc 272 HSC6101	State Purchasing 272 HSC6101	0610	ADMN	HSC6101	272	07/01/2002	12/27/2003
383201	Ctrl Adm 272 HSC6101	Central Admin 272 HSC6101	0610	ADMN	HSC6101	272	07/01/2000	12/27/2003
383201	Ctrl Adm 272 HSC6101	Central Admin 272 HSC6101	0610	ADMN	HSC6101	272	07/01/2001	12/27/2003
383202	Ctrl Adm 279 HSC6101	Central Admin 279 HSC6101	0610	ADMN	HSC6101	279	07/01/2000	12/27/2003
383202	Ctrl Adm 279 HSC6101	Central Admin 279 HSC6101	0610	ADMN	HSC6101	279	07/01/2000	12/27/2003
383202	Ctrl Adm 279 HSC6101	Central Admin 279 HSC6101	0610	ADMN	HSC6101	279	07/01/2000	12/27/2003
383202	Ctrl Adm 279 HSC6101	Central Admin 279 HSC6101	0610	ADMN	HSC6101	279	07/01/2000	12/27/2003
383202	Ctrl Adm 279 HSC6101	Central Admin 279 HSC6101	0610	ADMN	HSC6101	279	07/01/2001	12/27/2003

Display with selection by cost center



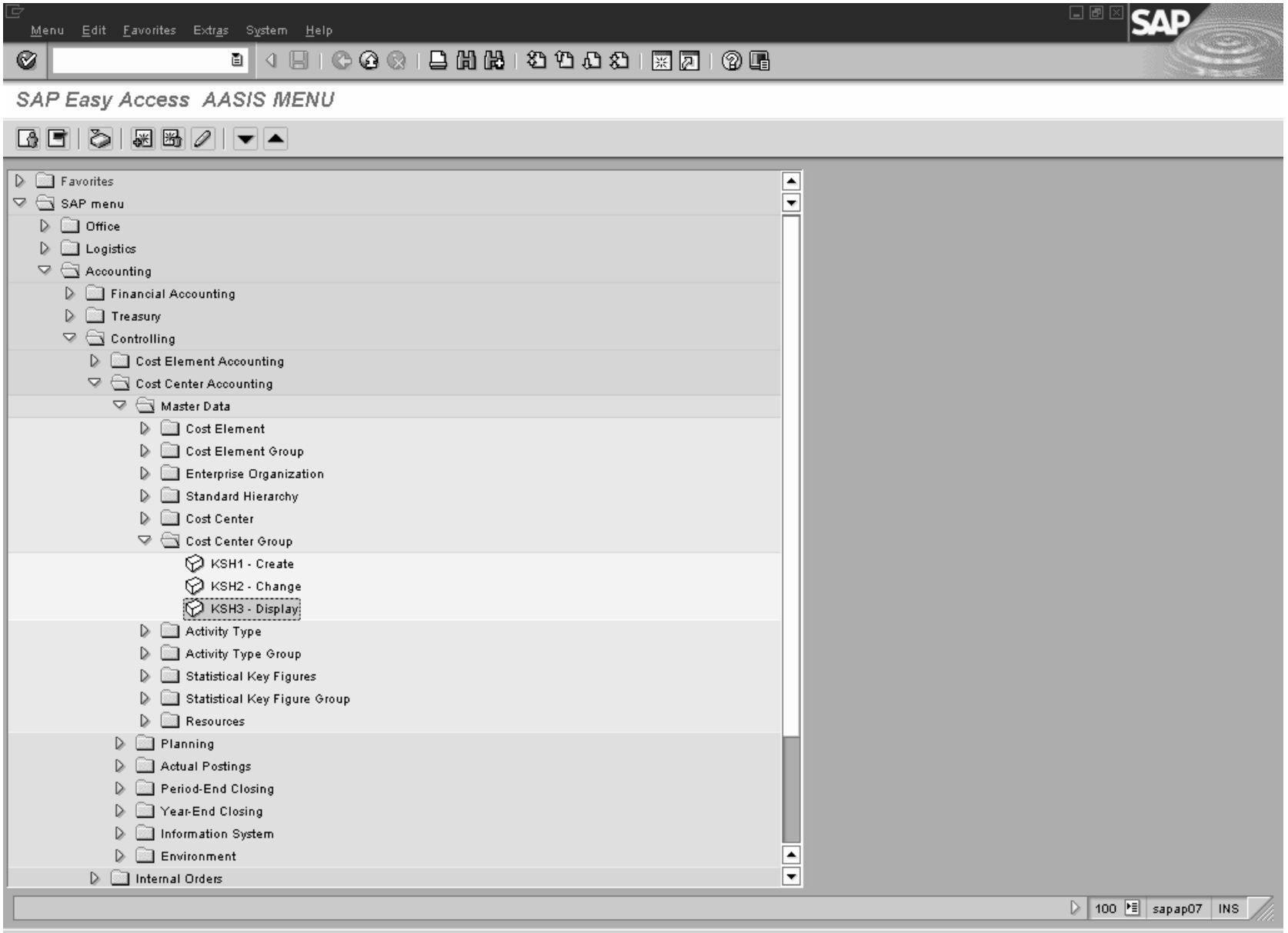


Cost Center	Name	Description	Business Area	Functional Area	Fund	Funds Center	Valid from	Assigned on
383225	EBD 278 HSC6101	Emp Benefts Division 278 HSC6101	0610	ADMN	HSC6101	278	07/01/2001	12/27/2003
383201	Ctrl Adm 272 HSC6101	Central Admin 272 HSC6101	0610	ADMN	HSC6101	272	07/01/2000	12/27/2003
383201	Ctrl Adm 272 HSC6101	Central Admin 272 HSC6101	0610	ADMN	HSC6101	272	07/01/2001	12/27/2003
383202	Ctrl Adm 279 HSC6101	Central Admin 279 HSC6101	0610	ADMN	HSC6101	279	07/01/2000	12/27/2003
383202	Ctrl Adm 279 HSC6101	Central Admin 279 HSC6101	0610	ADMN	HSC6101	279	07/01/2000	12/27/2003
383202	Ctrl Adm 279 HSC6101	Central Admin 279 HSC6101	0610	ADMN	HSC6101	279	07/01/2000	12/27/2003
383202	Ctrl Adm 279 HSC6101	Central Admin 279 HSC6101	0610	ADMN	HSC6101	279	07/01/2000	12/27/2003

Display with selection by business area

Display the cost center hierarchy.

- Accounting > Controlling > Cost Center Accounting > Master Data > Cost Center Group > Display
- KSH3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Accounting
Financial Accounting
Treasury
Controlling
Cost Element Accounting
Cost Center Accounting
Master Data
Cost Element
Cost Element Group
Enterprise Organization
Standard Hierarchy
Cost Center
Cost Center Group
KSH1 - Create
KSH2 - Change
KSH3 - Display
Activity Type
Activity Type Group
Statistical Key Figures
Statistical Key Figure Group
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Actual Postings
Period-End Closing
Year-End Closing
Information System
Environment
Internal Orders
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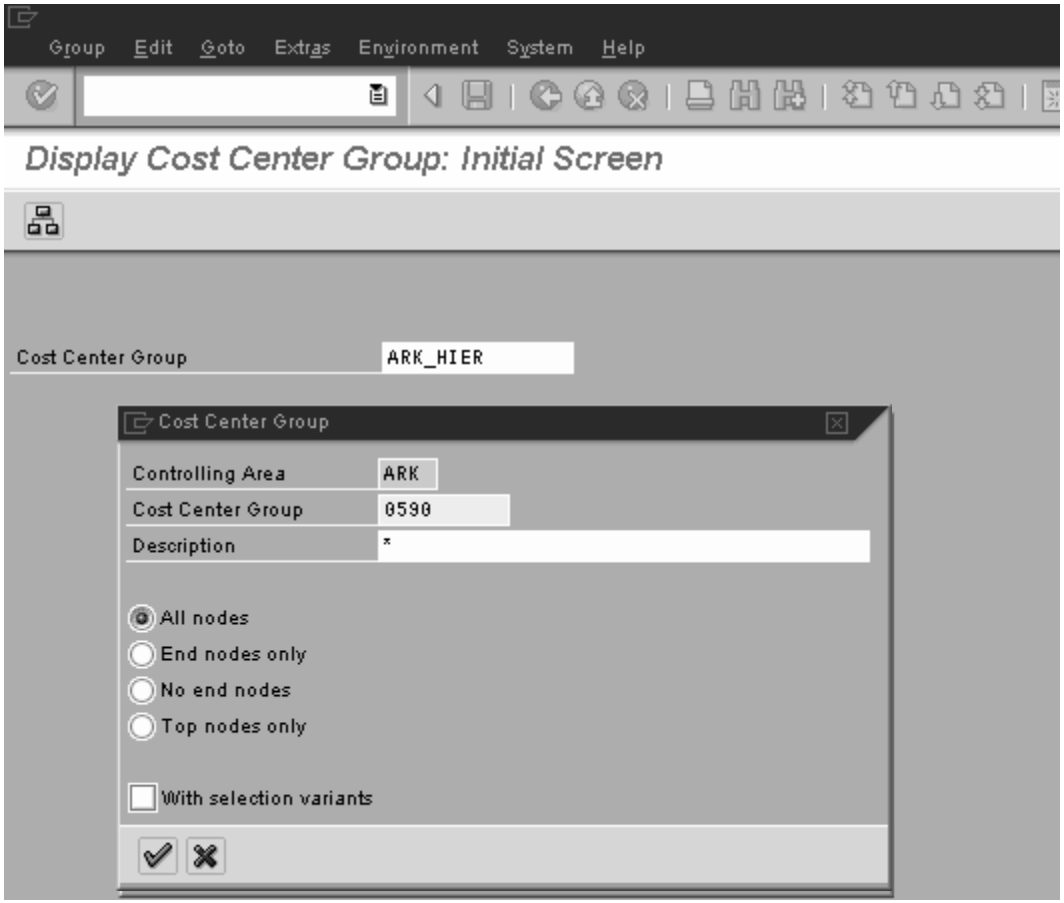
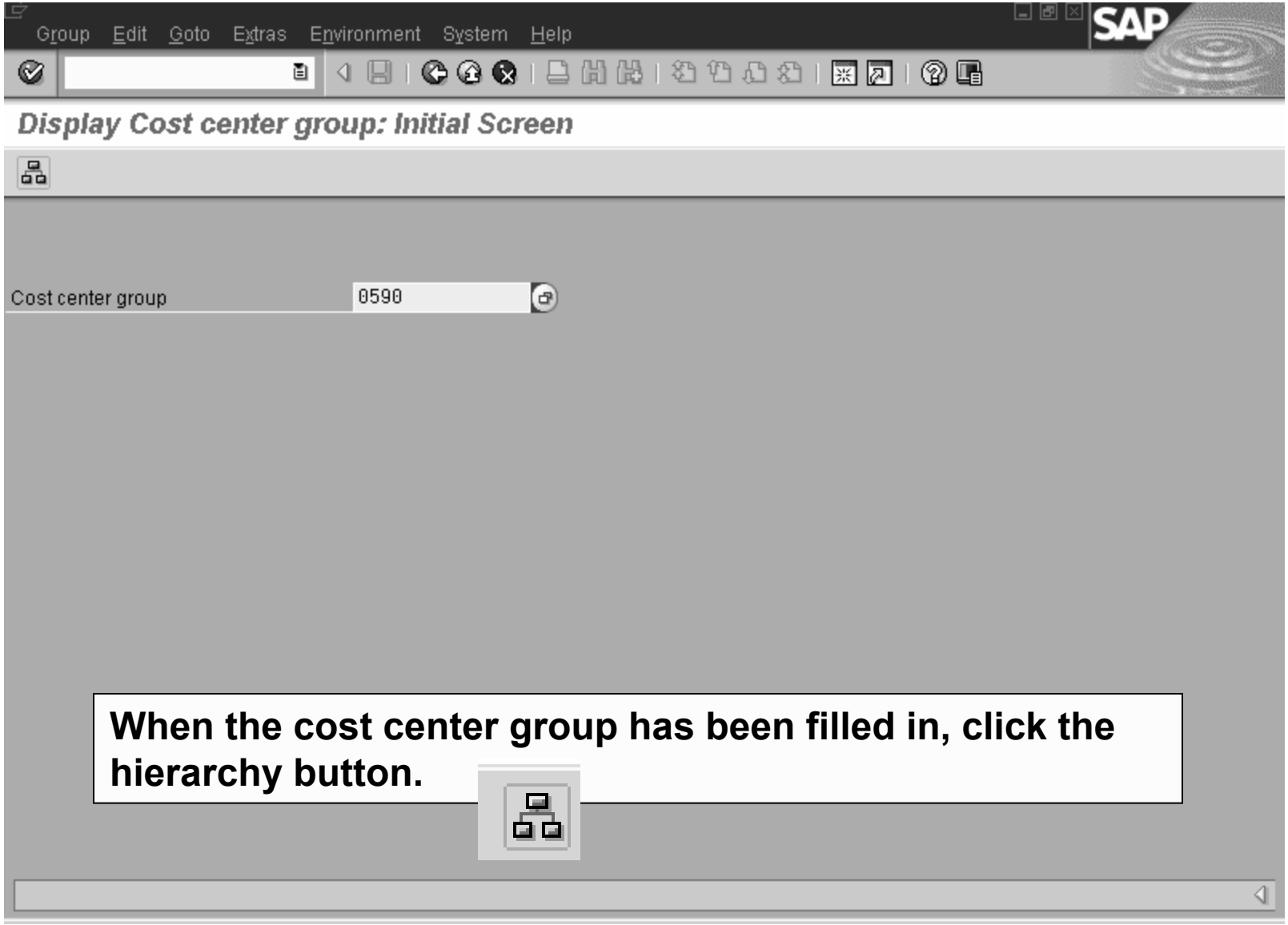
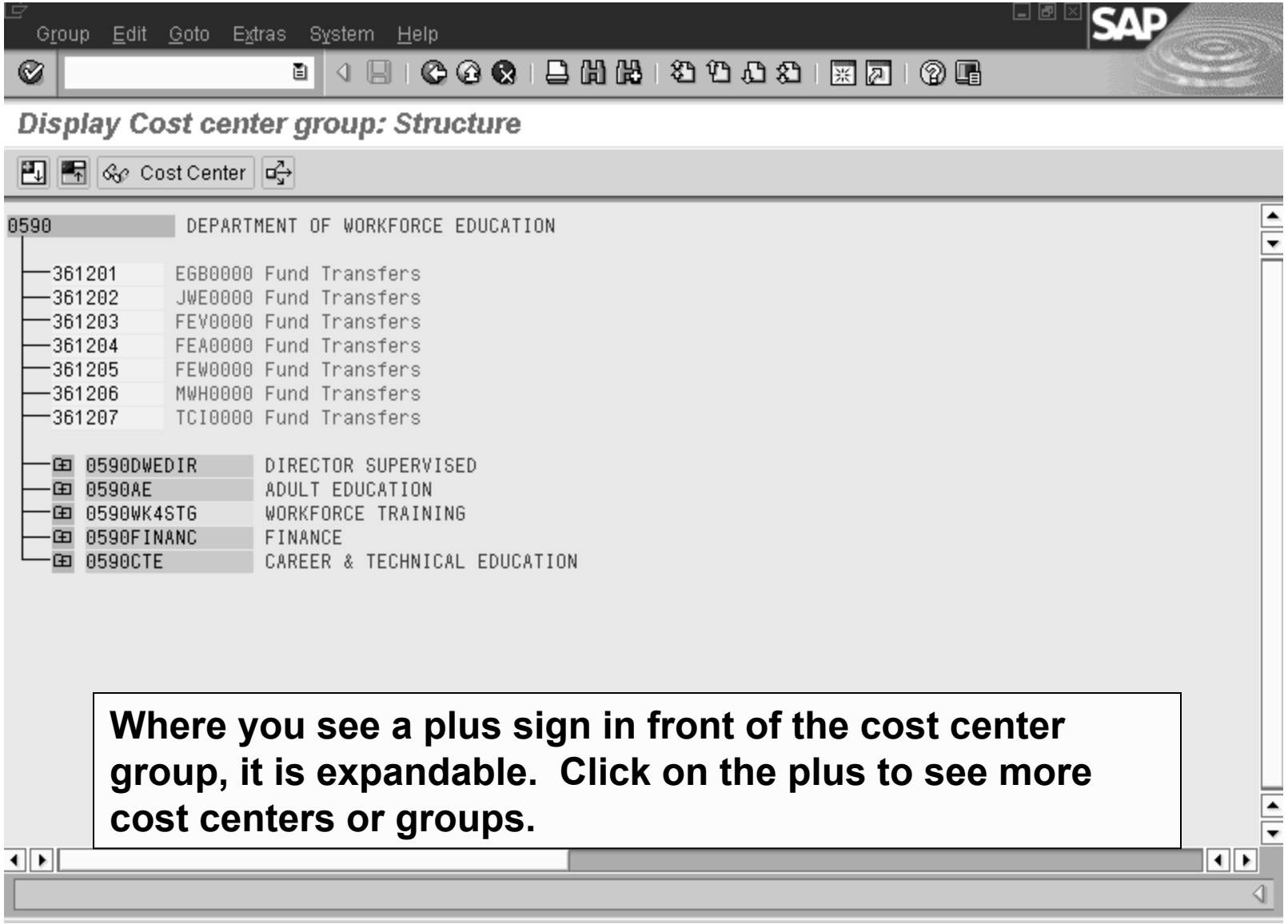
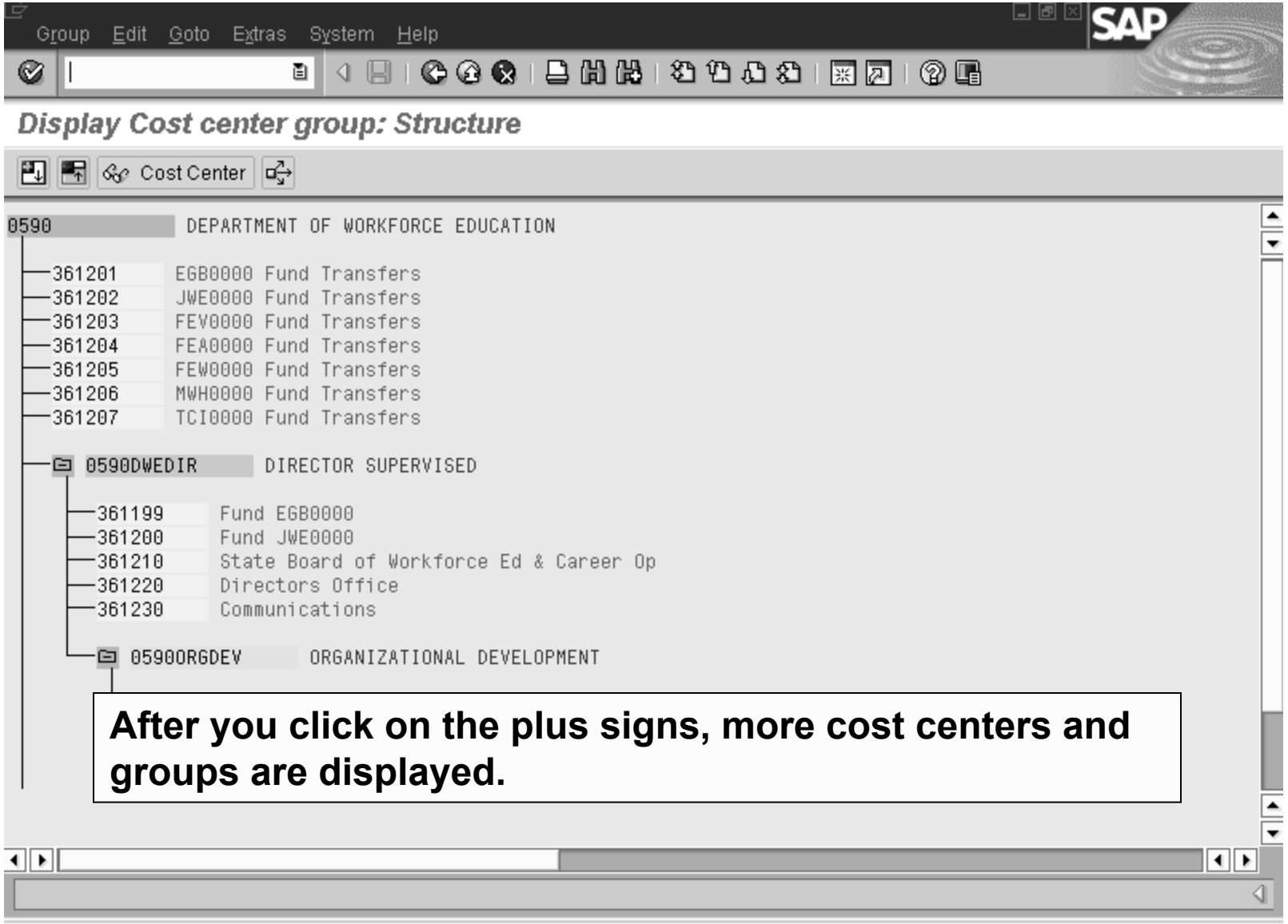


To search for cost center groups for your agency, click the drop down box and enter your business area under cost center group. The groups for your agency will come up. If you select the business area number, all of the cost center groups should be included.


Group Edit Goto Extras Environment System Help
SAP
Display Cost center group: Initial Screen
Cost center group
0590
When the cost center group has been filled in, click the hierarchy button.


Group Edit Goto Extras System Help
SAP
Display Cost center group: Structure
Cost Center
0590 DEPARTMENT OF WORKFORCE EDUCATION
361201 EGB0000 Fund Transfers
361202 JWE0000 Fund Transfers
361203 FEV0000 Fund Transfers
361204 FEA0000 Fund Transfers
361205 FEW0000 Fund Transfers
361206 MWH0000 Fund Transfers
361207 TCI0000 Fund Transfers
0590DWEDIR DIRECTOR SUPERVISED
0590AE ADULT EDUCATION
0590WK4STG WORKFORCE TRAINING
0590FINANC FINANCE
0590CTE CAREER & TECHNICAL EDUCATION
Where you see a plus sign in front of the cost center group, it is expandable. Click on the plus to see more cost centers or groups.


Group Edit Goto Extras System Help
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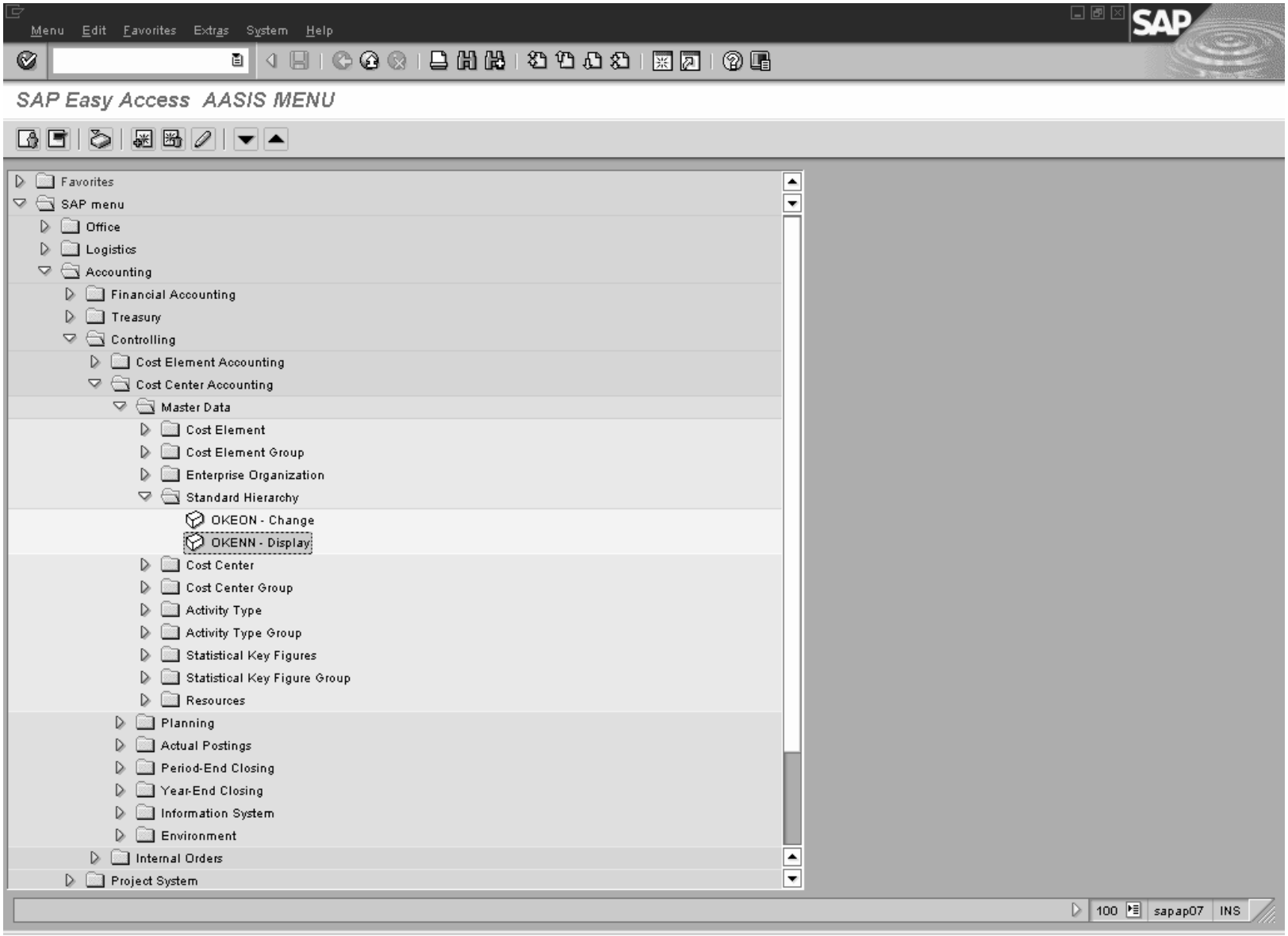
Display Cost center group: Structure
Cost Center
0590 DEPARTMENT OF WORKFORCE EDUCATION
361201 EGB0000 Fund Transfers
361202 JWE0000 Fund Transfers
361203 FEV0000 Fund Transfers
361204 FEA0000 Fund Transfers
361205 FEW0000 Fund Transfers
361206 MWH0000 Fund Transfers
361207 TCI0000 Fund Transfers
0590DWEDIR DIRECTOR SUPERVISED
361199 Fund EGB0000
361200 Fund JWE0000
361210 State Board of Workforce Ed & Career Op
361220 Directors Office
361230 Communications
0590ORGDEV ORGANIZATIONAL DEVELOPMENT
After you click on the plus signs, more cost centers and groups are displayed.

Display the cost center hierarchy along with the master data.

- Accounting > Controlling > Cost Center Accounting > Master Data > Standard Hierarchy > Display
- OKENN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Cost Center Accounting
Master Data
Cost Element
Cost Element Group
Enterprise Organization
Standard Hierarchy
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Cost Center
Cost Center Group
Activity Type
Activity Type Group
Statistical Key Figures
Statistical Key Figure Group
Resources
Planning
Actual Postings
Period-End Closing
Year-End Closing
Information System
Environment
Internal Orders
Project System
100
sapap07
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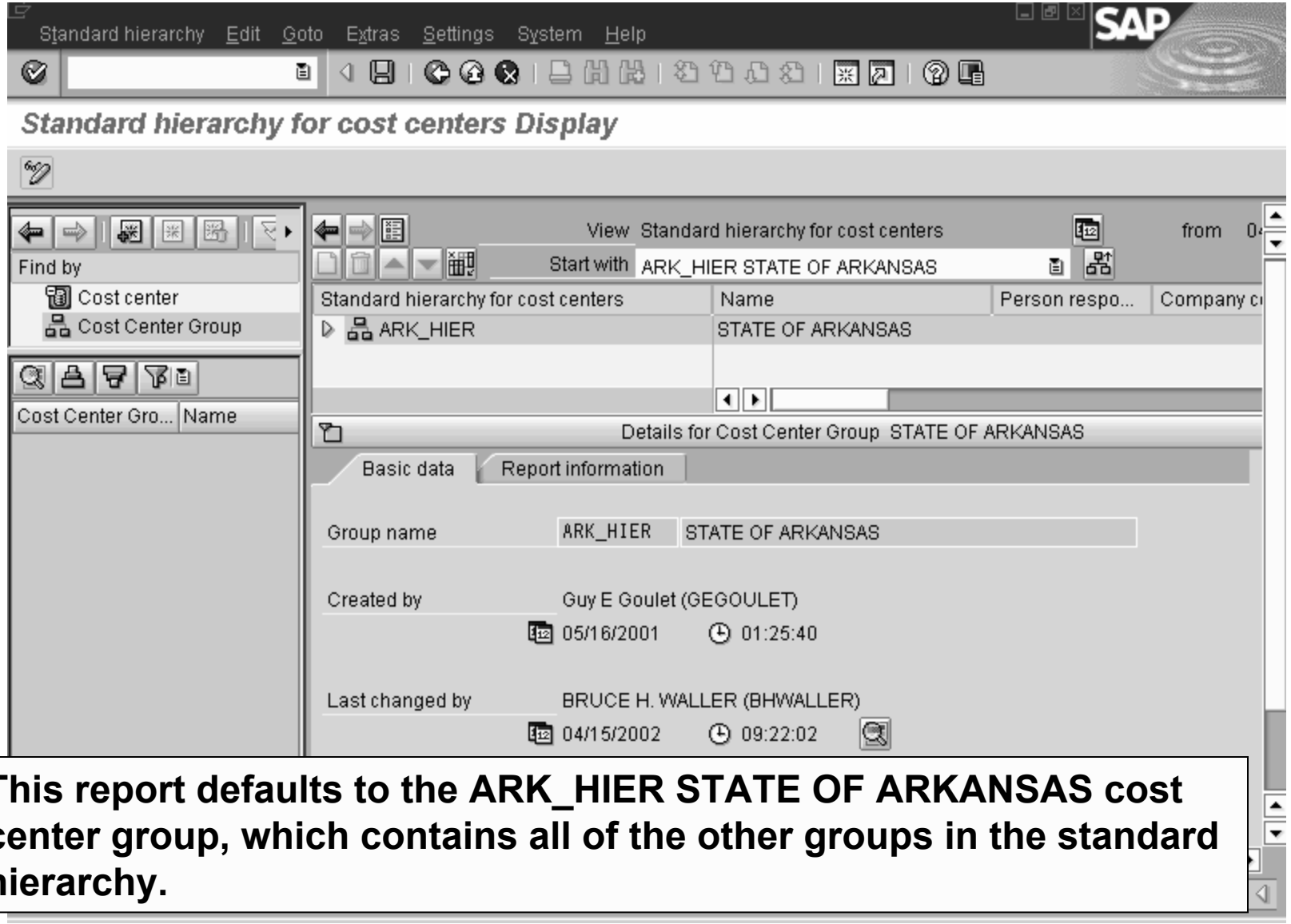
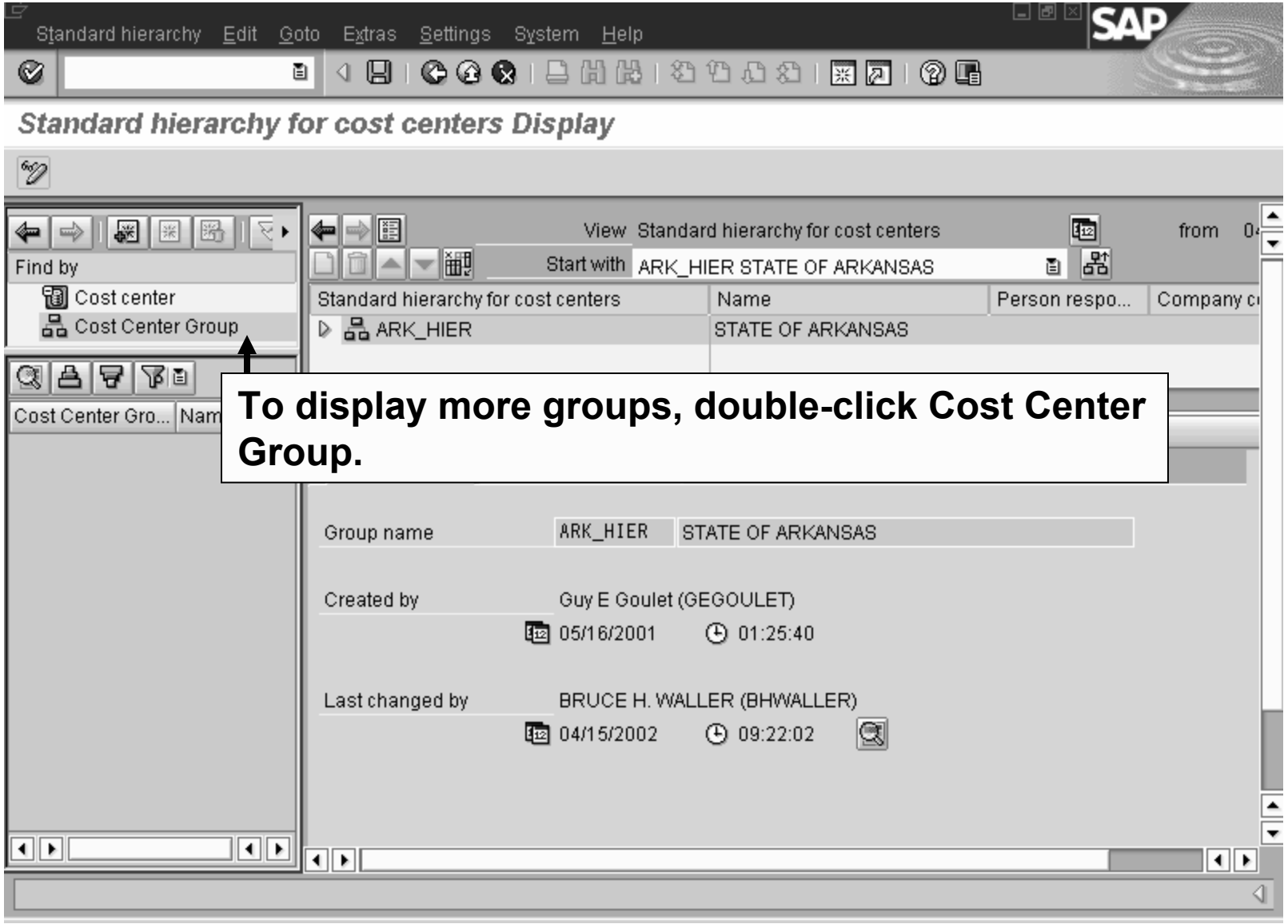
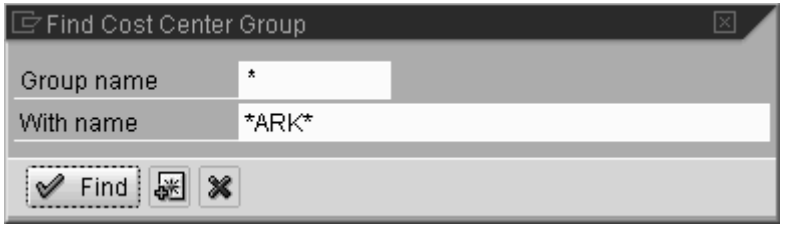
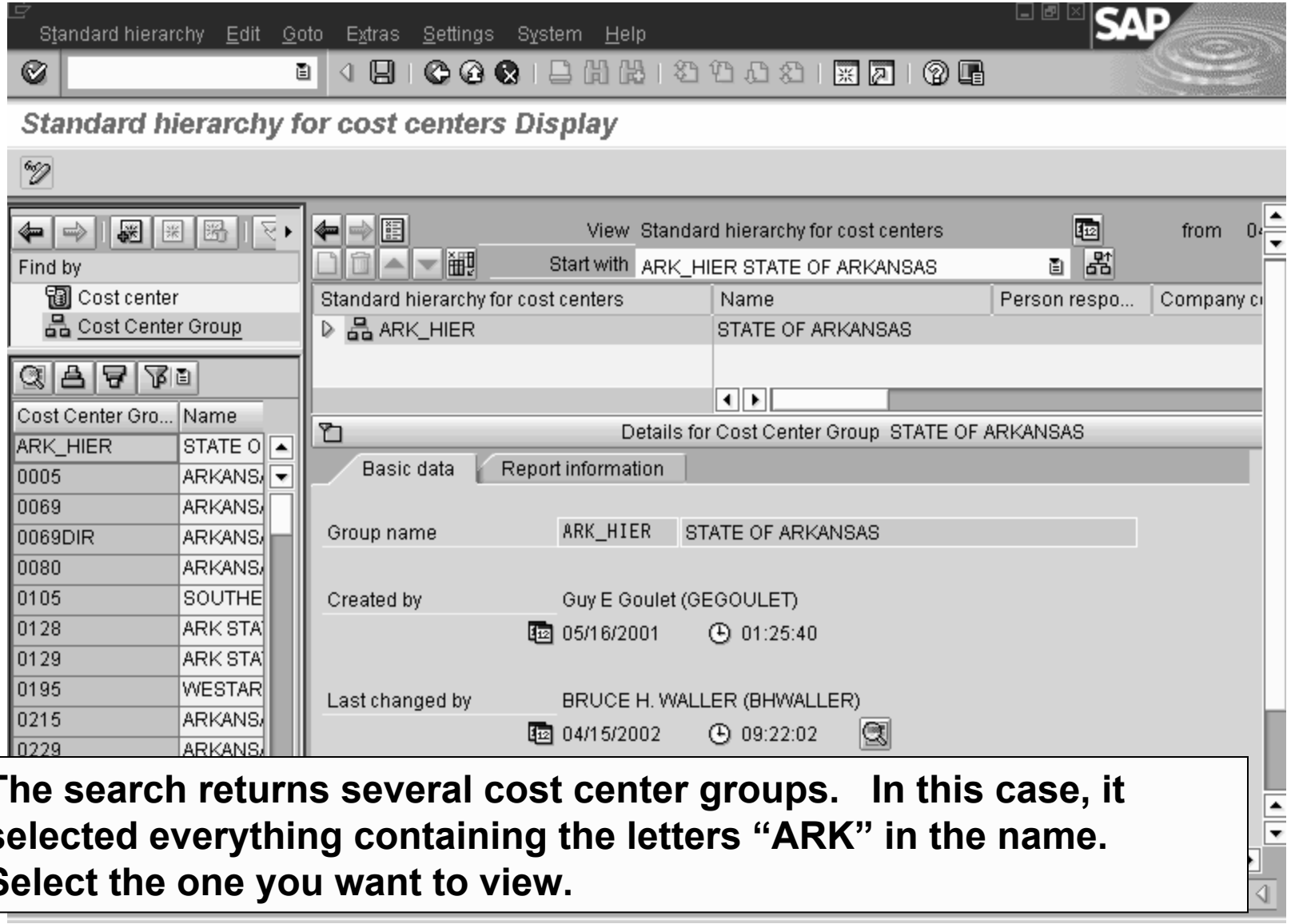


This report defaults to the ARK_HIER STATE OF ARKANSAS cost center group, which contains all of the other groups in the standard hierarchy.

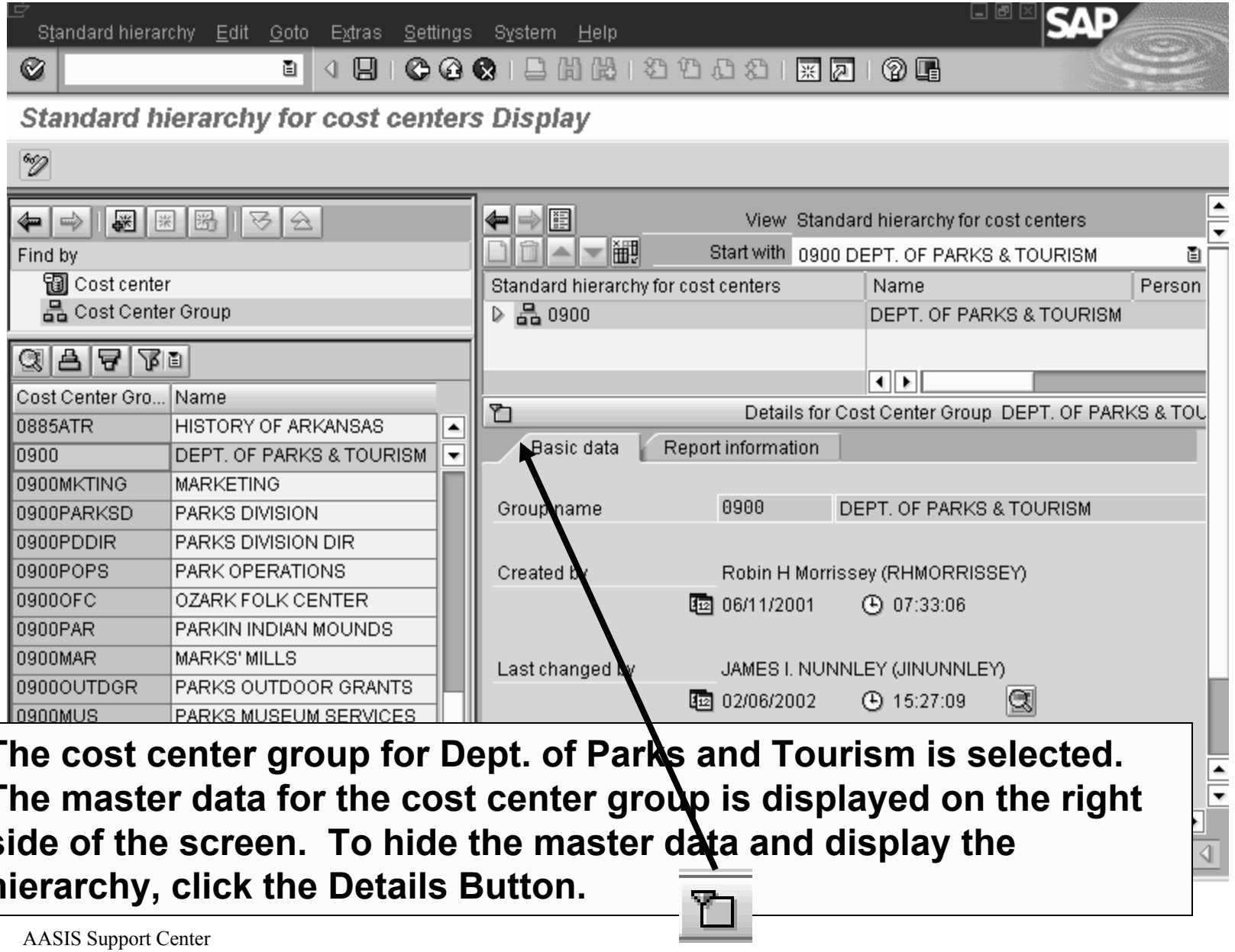

Standard hierarchy Edit Goto Extras Settings System Help
SAP
Standard hierarchy for cost centers Display
Find by
Cost center
Cost Center Group
View Standard hierarchy for cost centers
from
Start with ARK_HIER STATE OF ARKANSAS
Standard hierarchy for cost centers
Name
Person respo...
Company c
ARK_HIER
STATE OF ARKANSAS
Cost Center Gro...
Nam
To display more groups, double-click Cost Center Group.
Group name
ARK_HIER
STATE OF ARKANSAS
Created by
Guy E Goulet (GEGOULET)
05/16/2001
01:25:40
Last changed by
BRUCE H. WALLER (BHWALLER)
04/15/2002
09:22:02



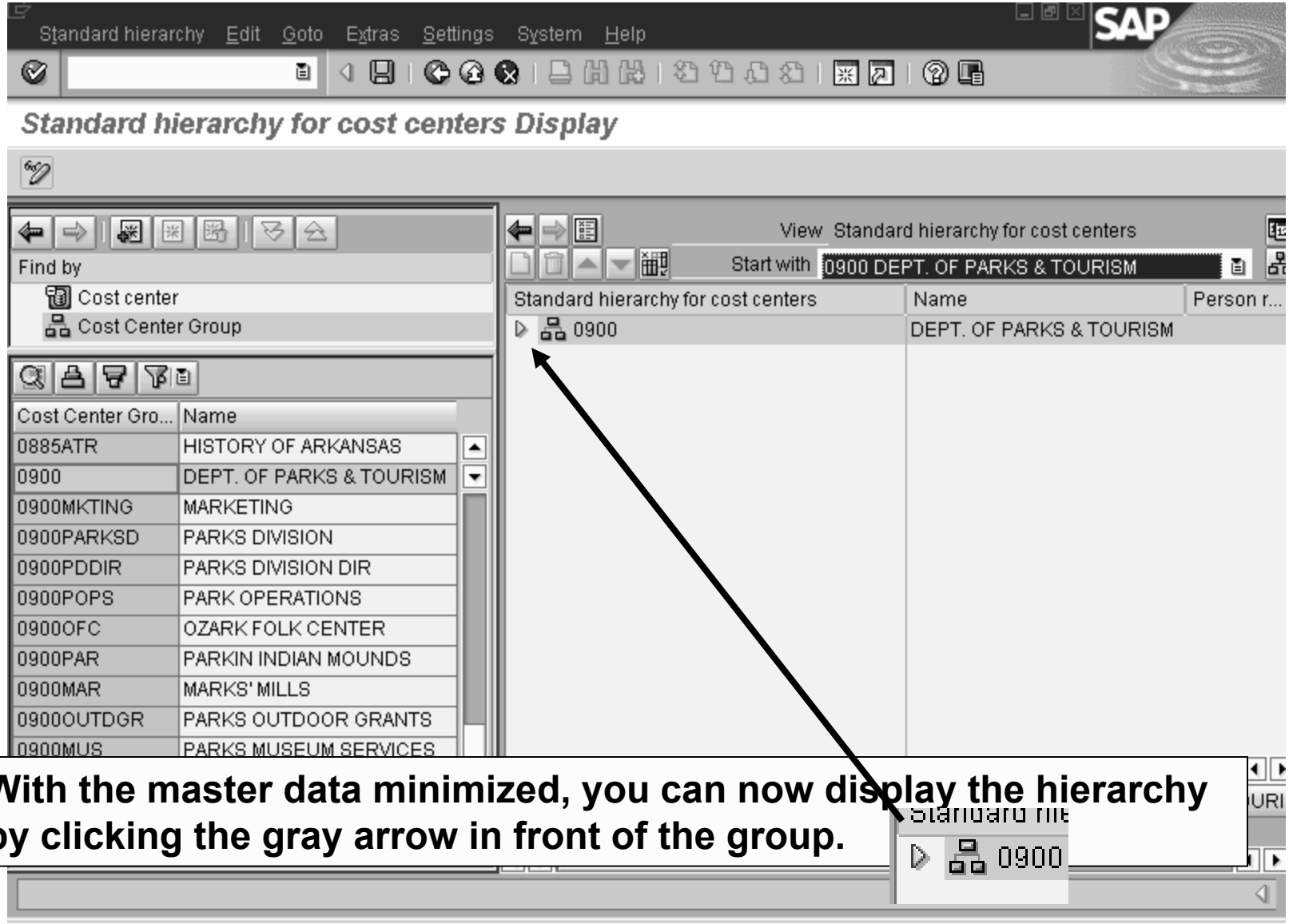
Type in as much information as you know about the cost center. You could put your business area in the group name or search by name, using the asterisk as a wild card for the search.



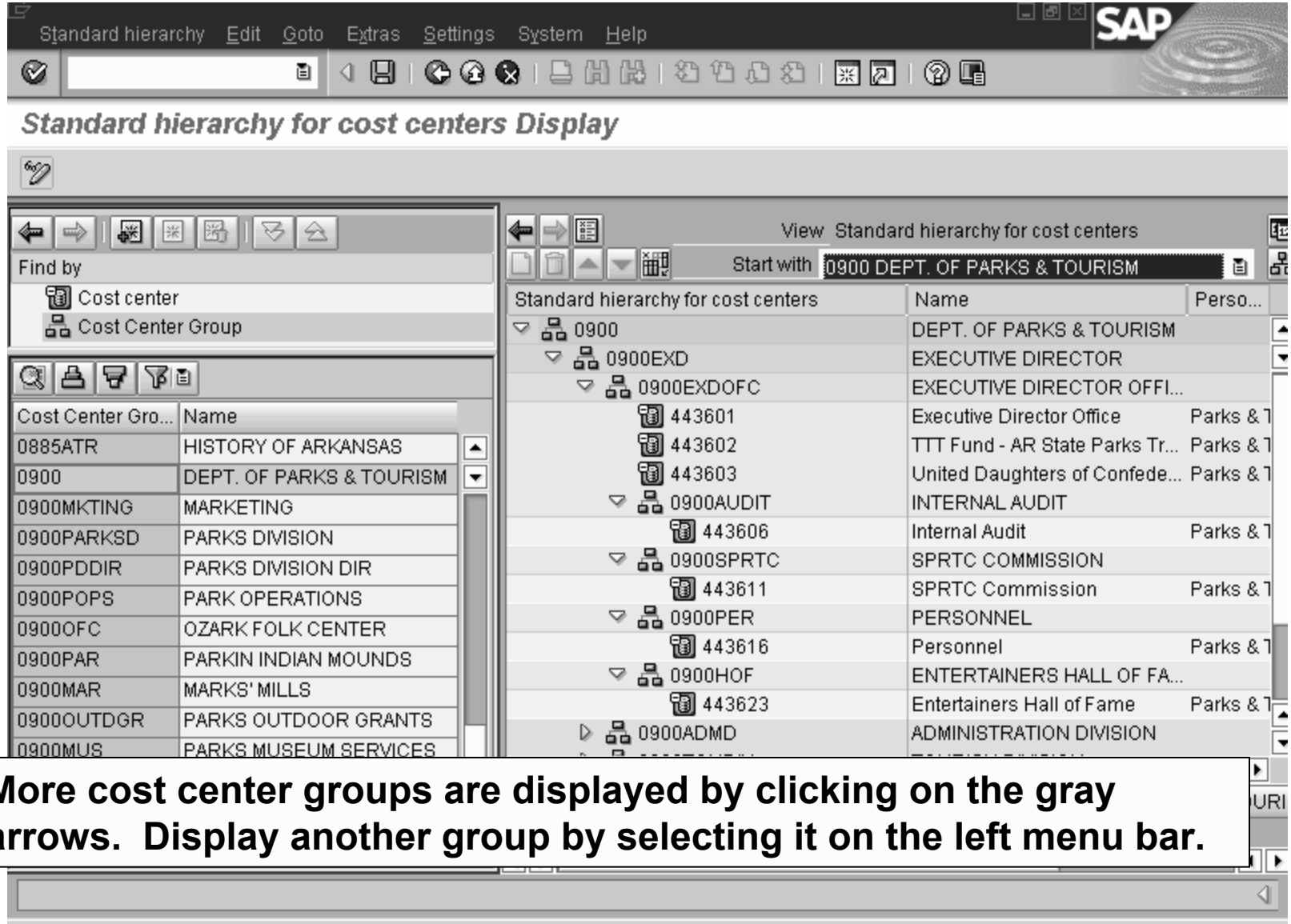
The search returns several cost center groups. In this case, it selected everything containing the letters "ARK" in the name. Select the one you want to view.



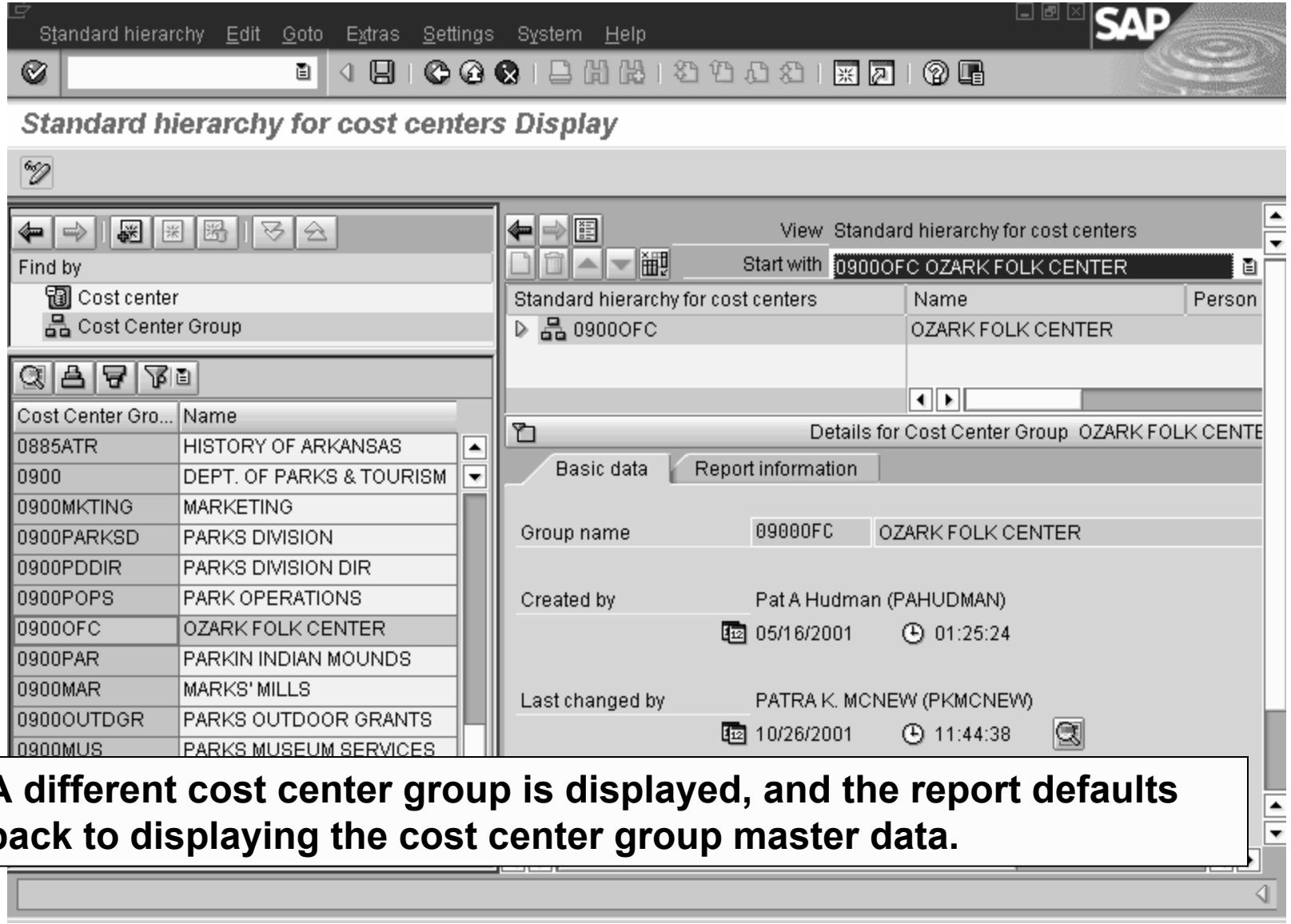
The cost center group for Dept. of Parks and Tourism is selected. The master data for the cost center group is displayed on the right side of the screen. To hide the master data and display the hierarchy, click the Details Button.



With the master data minimized, you can now display the hierarchy by clicking the gray arrow in front of the group.



More cost center groups are displayed by clicking on the gray arrows. Display another group by selecting it on the left menu bar.

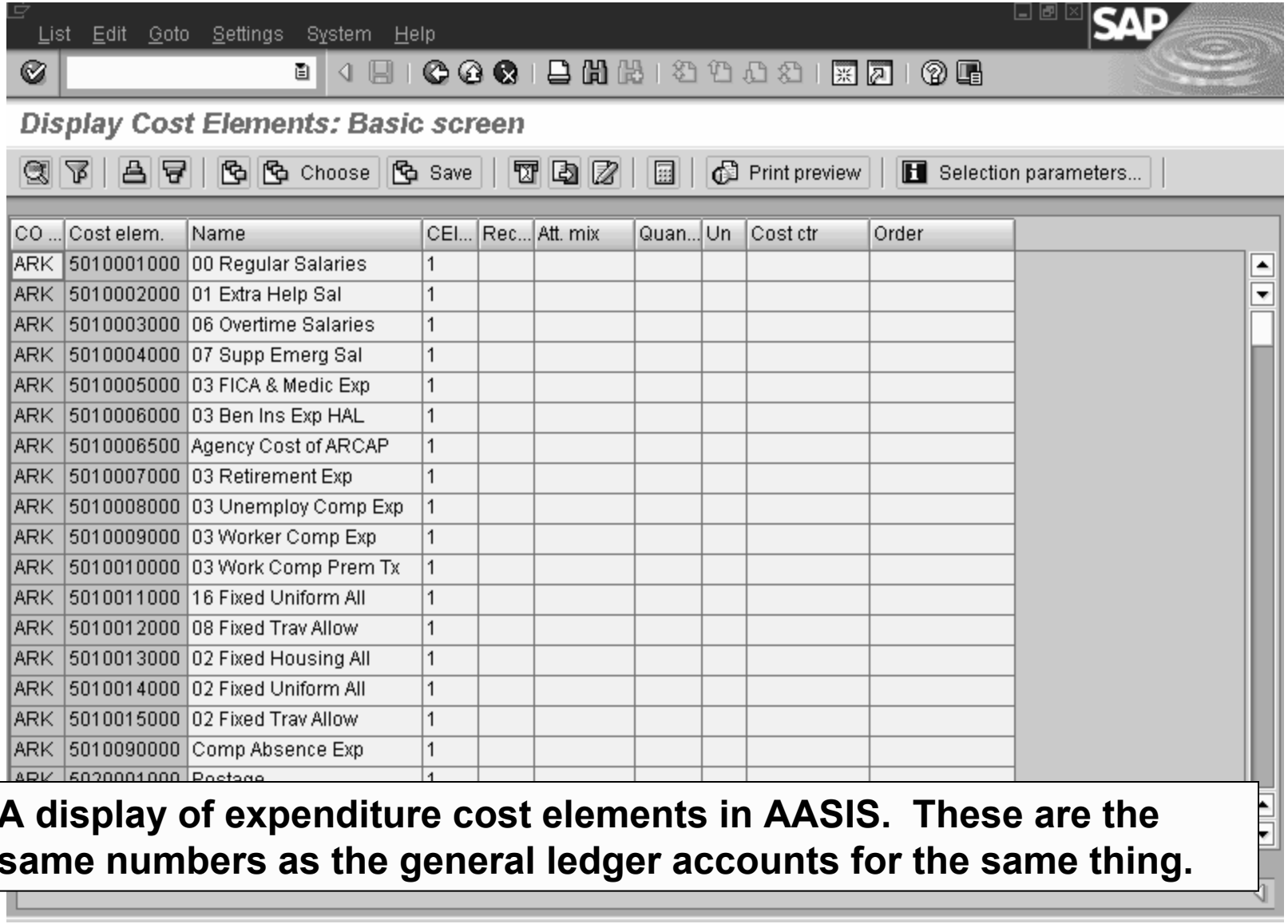


A different cost center group is displayed, and the report defaults back to displaying the cost center group master data.

What did we spend the money on? Cost Elements and Cost Element Groups

Cost elements

- Cost elements are codes that tell what an expenditure or revenue was used for.
- Cost element codes are the exact same numbers as general ledger codes.
- Cost center financial reports are by cost element.



CO ...	Cost elem.	Name	CEl...	Rec...	Att. mix	Quan...	Un	Cost ctr	Order
ARK	5010001000	00 Regular Salaries	1						
ARK	5010002000	01 Extra Help Sal	1						
ARK	5010003000	06 Overtime Salaries	1						
ARK	5010004000	07 Supp Emerg Sal	1						
ARK	5010005000	03 FICA & Medic Exp	1						
ARK	5010006000	03 Ben Ins Exp HAL	1						
ARK	5010006500	Agency Cost of ARCAP	1						
ARK	5010007000	03 Retirement Exp	1						
ARK	5010008000	03 Unemploy Comp Exp	1						
ARK	5010009000	03 Worker Comp Exp	1						
ARK	5010010000	03 Work Comp Prem Tx	1						
ARK	5010011000	16 Fixed Uniform All	1						
ARK	5010012000	08 Fixed Trav Allow	1						
ARK	5010013000	02 Fixed Housing All	1						
ARK	5010014000	02 Fixed Uniform All	1						
ARK	5010015000	02 Fixed Trav Allow	1						
ARK	5010090000	Comp Absence Exp	1						
ARK	5020001000	Postage	1						

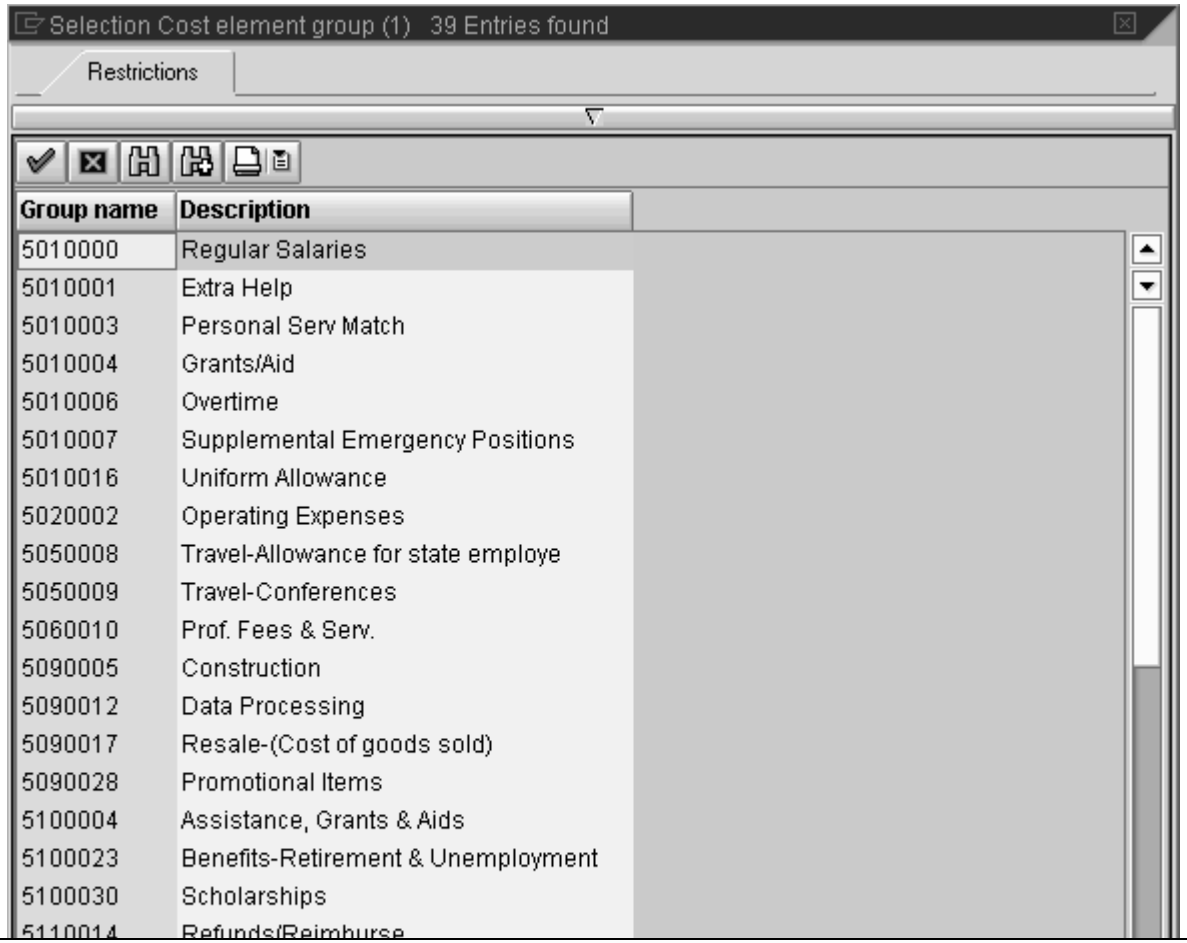
A display of expenditure cost elements in AASIS. These are the same numbers as the general ledger accounts for the same thing.

Why do you need Cost Elements when you have General Ledger Codes?

- For reporting purposes, cost elements can be organized into groups.
- Standard AASIS reports for cost centers, internal orders, and projects report by cost elements and cost element groups.

Cost element groups

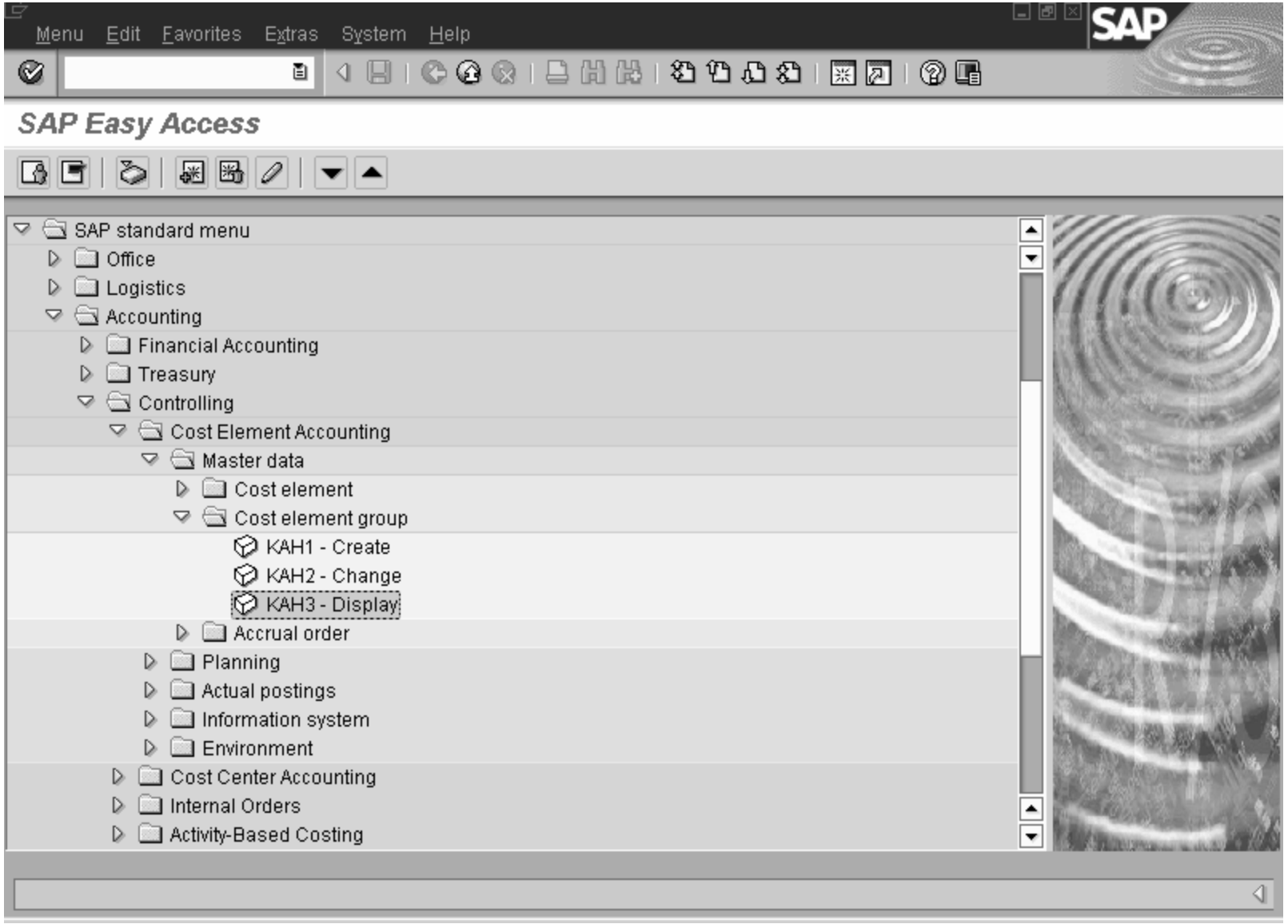
- Cost element groups can include one or many cost elements.
- Some cost element groups are set up to correspond to budgeted commitment items.
- Cost element groups are set up for reporting convenience.



A display of cost element groups in AASIS. There is a group to correspond to each budget commitment item, others are requested by agencies to fulfill special reporting needs.

Displaying the cost elements in cost center groups

- Accounting > Controlling > Cost Element Accounting > Master Data > Cost Element Group > Display
- KAH3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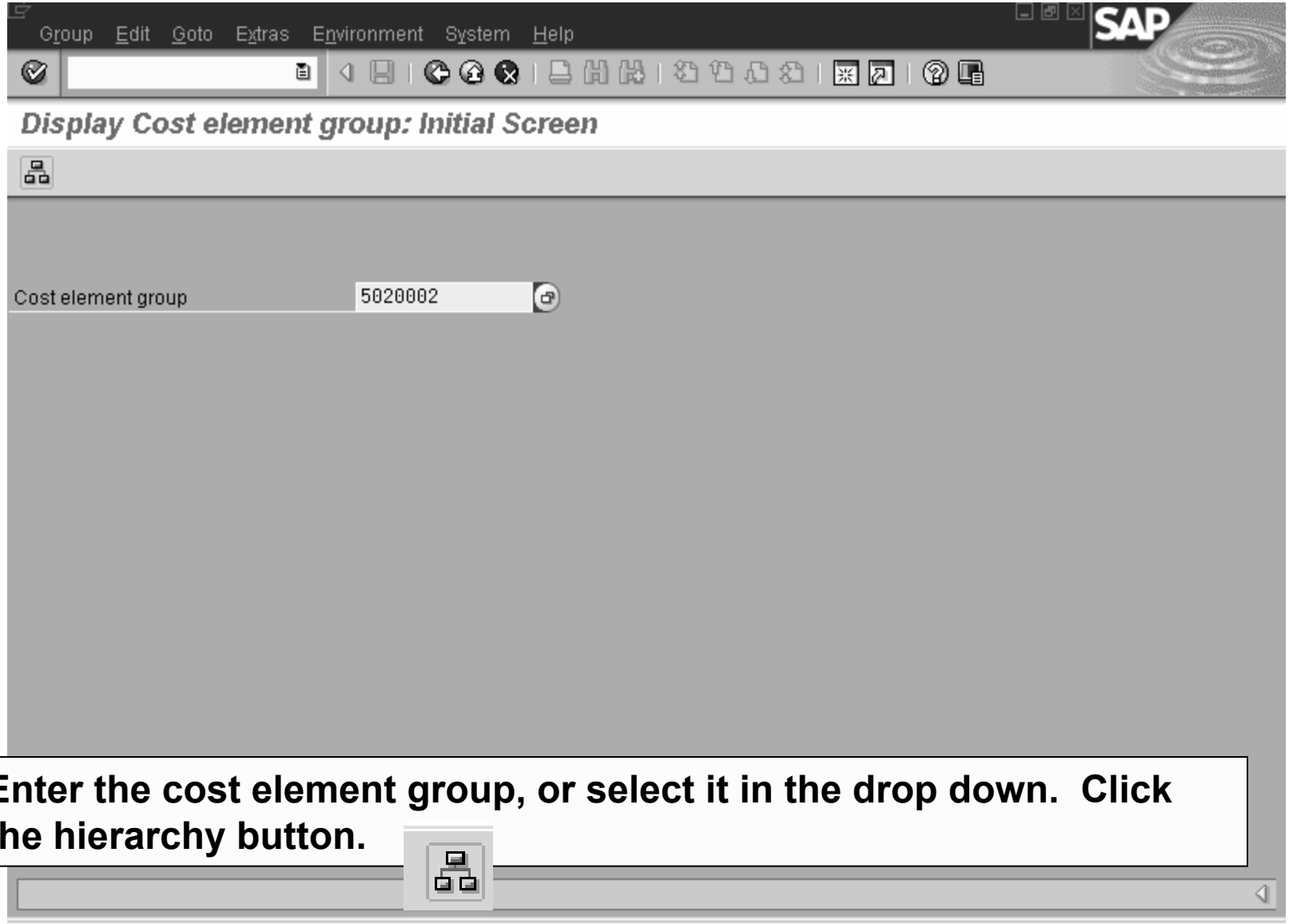
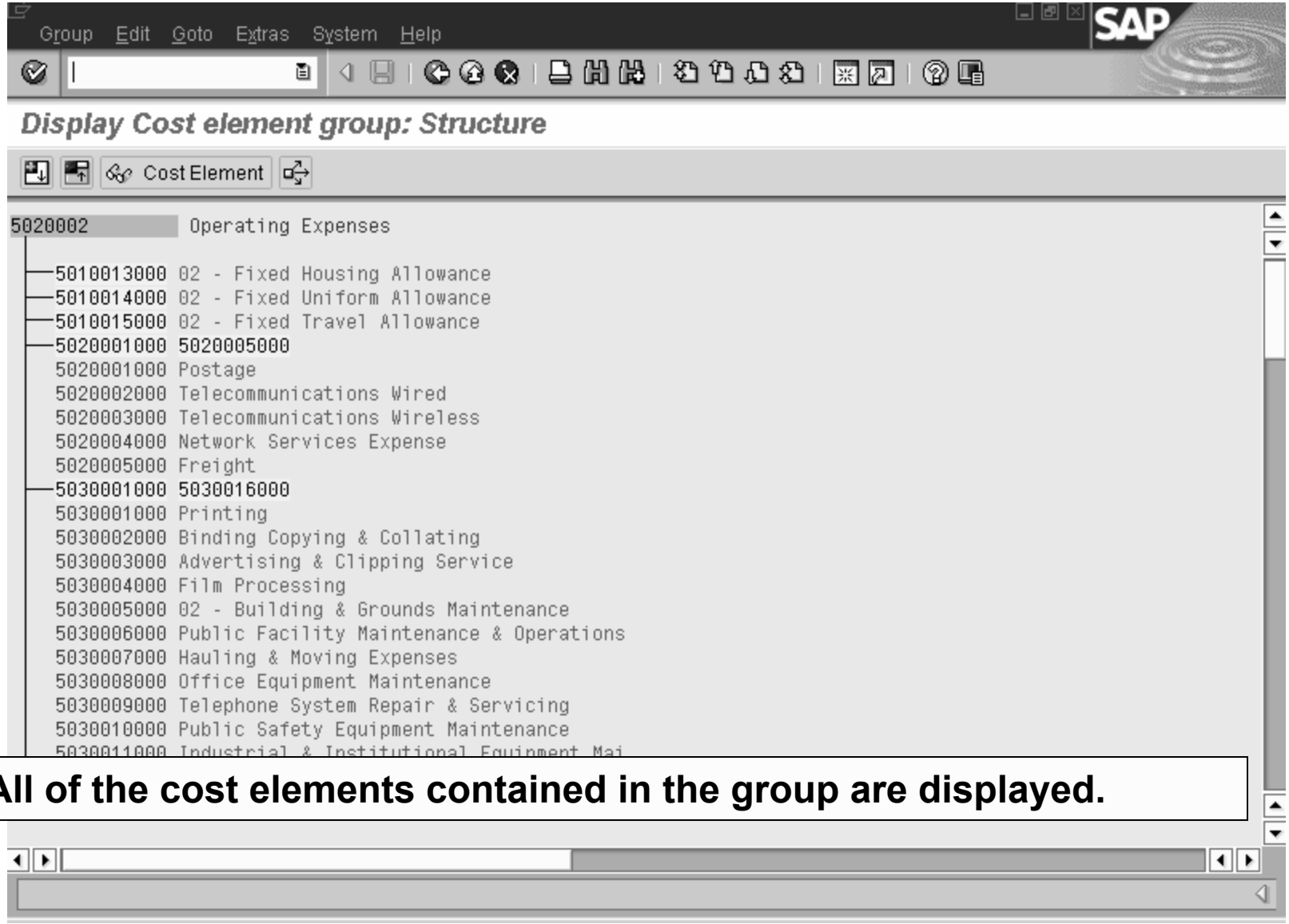
Master data
Cost element
Cost element group
KAH1 - Create
KAH2 - Change
KAH3 - Display
Accrual order
Planning
Actual postings
Information system
Environment
Cost Center Accounting
Internal Orders
Activity-Based Costing



Enter the cost element group, or select it in the drop down. Click the hierarchy button.



All of the cost elements contained in the group are displayed.

The Cost Center Plan

Cost Center Planning

- For most agencies, a cost center plan by cost element is uploaded into the system from agency budgets.
- This plan will show up in cost center reports for management purposes. The plan does not control spending at this level. Budgets control spending at a much higher level (appropriation, commitment item).